



General Assembly

February Session, 2014

***Raised Bill No. 5428***

LCO No. 1737



Referred to Committee on GENERAL LAW

Introduced by:  
(GL)

***AN ACT CONCERNING A FLOOR STOCK ALLOWANCE FOR BEER.***

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Section 30-94 of the general statutes is repealed and the  
2 following is substituted in lieu thereof (*Effective July 1, 2014*):

3 (a) No permittee or group of permittees licensed under the  
4 provisions of this chapter, in any transaction with another permittee or  
5 group of permittees, shall directly or indirectly offer, furnish or receive  
6 any free goods, gratuities, gifts, prizes, coupons, premiums,  
7 combination items, quantity prices, cash returns, loans, discounts,  
8 guarantees, special prices or other inducements in connection with the  
9 sale of alcoholic beverages or liquors. No such permittee shall require  
10 any purchaser to accept additional alcoholic liquors in order to make a  
11 purchase of any other alcoholic liquor.

12 (b) Notwithstanding the provisions of subsection (a) of this section  
13 and subsection (b) of section 30-63, a holder of a manufacturer permit  
14 issued under subsection (a) of section 30-16 or an out-of-state shipper's  
15 permit for alcoholic liquor other than beer issued under section 30-18

16 may offer and provide to a holder of a wholesaler permit issued under  
17 subsection (a) of section 30-17 a floor stock allowance or a depletion  
18 allowance, or both, with the prior approval of the department. Such  
19 allowances shall be offered and provided on a nondiscriminatory basis  
20 to all such wholesaler permittees authorized to distribute the products  
21 of any such manufacturer or out-of-state shipper permittee in  
22 accordance with such requirements as the department may prescribe  
23 by regulation adopted [under] in accordance with the provisions of  
24 chapter 54, provided (1) no such manufacturer or out-of-state shipper  
25 permittee may require any such wholesaler permittee to participate in  
26 any program providing such allowances, and (2) the rate or percentage  
27 used to calculate any such allowance may not vary based on the  
28 quantity of alcoholic liquor other than beer that is sold. As used in this  
29 subsection, "floor stock allowance" means any rebate, discount or other  
30 inducement that is given to a wholesaler permittee to be used for the  
31 sales promotion or the destruction of any alcoholic liquor other than  
32 beer that is stored in the wholesaler permittee's warehouse or other  
33 storage facilities at the time such rebate, discount or other inducement  
34 is given, and "depletion allowance" means any rebate, discount or  
35 other inducement used for the sales promotion of any alcoholic liquor  
36 other than beer that is given to a wholesaler permittee based on the  
37 amount of such alcoholic liquor subject to such promotion that is sold  
38 at wholesale by the wholesaler permittee.

39 (c) (1) Notwithstanding the provisions of subsection (a) of this  
40 section and subsection (b) of section 30-63, a holder of a manufacturer  
41 permit for beer issued under subsection (b) of section 30-16, a  
42 manufacturer permit for a brew pub issued under subsection (f) of  
43 section 30-16 or an out-of-state shipper's permit for beer issued under  
44 section 30-19 may offer and provide to a holder of a wholesaler permit  
45 for beer issued under subsection (b) of section 30-17 a floor stock  
46 allowance, with the prior approval of the department. Such allowance  
47 shall be offered and provided on a nondiscriminatory basis to all such  
48 wholesaler permittees authorized to distribute the products of any

49 such manufacturer or out-of-state shipper permittee in accordance  
 50 with such requirements as the department may prescribe by regulation  
 51 adopted in accordance with the provisions of chapter 54, provided (A)  
 52 no such manufacturer or out-of-state shipper permittee may require  
 53 any such wholesaler permittee to participate in any program providing  
 54 such allowances, and (B) the rate or percentage used to calculate any  
 55 such allowance may not vary based on the quantity of beer that is sold.  
 56 As used in this subsection, "floor stock allowance" means any rebate,  
 57 discount or other inducement that is given to a wholesaler permittee to  
 58 be used for the sales promotion or the destruction of any beer that is  
 59 stored in the wholesaler permittee's warehouse or other storage  
 60 facilities at the time such rebate, discount or other inducement is given.

61 (2) A floor stock allowance provided under this subsection shall be  
 62 paid to the wholesaler permittee not later than thirty business days  
 63 after a manufacturer or out-of-state shipper receives verification from  
 64 the wholesaler that the payment amount is accurate for the applicable  
 65 month's promotion. Any claim made by a party regarding an  
 66 allowance payment shall be made not later than six months from the  
 67 date of the payment.

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| This act shall take effect as follows and shall amend the following sections: |              |       |
| Section 1   | July 1, 2014 | 30-94 |

**Statement of Purpose:**

To authorize a floor stock allowance for beer.

*[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]*